## ARIZONA DEPARTMENT OF EDUCATION

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## SCHOOL FINANCE MEMORANDUM 02-051

**TO:** Impact Aid Districts

FROM: Marcie Celaya, Director of School Finance

**DATE:** May 2, 2002

SUBJECT: Final FY2001-2002 Impact Aid (Title 8, P.L. 103-382) Budget Limit Add-ons

The attached schedule of final Impact Aid (Title 8, P.L. 103-382) budget limit add-on amounts for fiscal year 2001-02 pursuant to ARS §15-905.K and 905.O is being provided for documentation and budget revision purposes. The amount in the "Total Add-on" column is the maximum amount that can be included in the General Budget Limit for the FY2001-02 budget. The "Special Education add-on" must be budgeted in Program 300, page 1, of the M&O budget or (supplement, page 1 or 3) or in the capital budget limit calculation. If these amounts are less than the amounts used in the most recently revised budget, the district <u>must</u> revise its budget limit, and if the amounts are more, the district <u>may</u> revise its budget limit.

The amounts for the 905.K special education add-on are based on the most recent U.S. Department of Education (USDOE) impact aid payment voucher for your FY2001 impact aid entitlement, or in the absence of a voucher, your impact aid application to the USDOE. The Indian Land add-on amounts are based on the non-special education portion of the most recent FY2001 voucher payment. The portion of this figure representing Indian land students is multiplied by 20% to calculate the "add-on" amount of the payment. For those districts that do not have a voucher, an Indian Land add-on is not calculated. We will calculate an amount once a voucher is received. The 905.O add-ons are based on the student counts included in the FY2001 application.

To be eligible for the budget limit add-on provided in ARS §15-905.O, a district must qualify as heavily impacted and have a zero primary tax rate. We have calculated the additional 905.O add-on for those districts that do not have a primary tax rate for FY2001, as indicated in the Arizona Tax Research Foundation's publication for 2001.

Please call me Anthony Wines at (602) 542-8246 (e-mail, awines@ade.az.gov) or Nettie Klingler at (602) 542-8241 (email, nklingl@ade.az.gov) if you have questions.

**Enclosures**